

NOV 27 1969

Travel 6

MEMORANDUM FOR: Chairman, CIA Travel Committee

Forwarded herewith are papers received from the Director of Planning, Programming, and Budgeting relative to various policies for the implementation of the new maximum domestic per diem rates as promulgated by various agencies of the Government.

I request that the Travel Committee review these papers and determine if in their collective judgment a revision in Agency policy is appropriate.



STAT

2 Atts

Att 1: Memo for the Record dtd 18 Nov 69 by D/PPB, subj: Executive Officers Group Meeting (DD/S 69-5250)

Att 2: Memo dtd 21 Nov 69 to Members of the Executive Officers Group fr Charles F. Parker, BOB, subj: Agency policies re travel per diem (DD/S 69-5348)

EO-DD/S:WEB:es (26 Nov 69)

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<p>For your information. I attended this meeting for Colonel White who has been briefed on the contents of this memo.</p>			
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John M. Clarke, D/PPB		11/19/69	
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FORM NO. 237 Use previous editions GPO : 1968 O - 297-542 (40)

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18 November 1969

MEMORANDUM FOR THE RECORD

SUBJECT: Executive Officers Group Meeting

1. An Executive Officers Group meeting was called by Dwight Ink, Bureau of the Budget, on request of several members who registered concern over the recently approved increase in per diem rates with particularly reference to the manner in which these were being handled by different agencies. The instigators of the meeting seemed to be Agriculture, GSA, FAA and Civil Service Commission, all of whom stated in various ways that it was in the interest of the Government to have the Bureau of the Budget establish uniform methods of handling per diem rates across agencies and that Instruction A-7 issued by Mr. Mayo on 10 November was too general a guidance to be of much practical use.

2. The group was polled for their attitudes on the matter generally and solicited on specific steps being taken by their individual agencies with respect to the new law. Some of these approaches follow:

a. GSA has provided a sliding scale which ranges between \$20 and \$25 and is based upon cost of lodging. For lodging costing less than \$10, a per diem of \$20 will be paid. Where lodging exceeds \$10, a per diem of \$25 will be paid.

b. BOB has established a flat rate of \$23 for its employees based upon its recommendation to the Congressional Committee that \$22 would be a fair, uniform rate. The additional reflects updating of that number since its submission.

c. FAA urged that there needed to be some agreement of actual practices among the different agencies and felt the matter needed considerable attention. FAA rejected a city by city per diem rate in favor of a sliding scale with the one variable being cost of living accommodations. FAA has spread the sliding scale from \$18 to \$25 but indicated there are disagreements within the Department of Transportation on this matter. The FAA proposes to apply the \$18 to \$25 range in FAA without prejudice to a change pending on A-7 designed to keep payments in reasonable relationship around town. FAA arrived at the figure of \$18 on the basis of an historic study which showed that for the most part FAA travelers can get accommodations for \$8 with \$10 for miscellaneous costs.

d. Treasury also subscribes to a sliding scale but with the proviso that travelers would receive \$10 for all miscellaneous costs plus a cost of living accommodation up to \$25.

e. CSC adopted a sliding scale policy but set \$9 as the lodging base.

f. Commerce Department does not want any guidelines from the Bureau of the Budget and takes the position that the maximum rate of \$25, given the union pressures, will be required in any event in a very short time.

g. Agriculture, after a two minute discourse by Joe Robinson on the inability of BOB to foresee this problem and do something about it before it got out of hand, urged a uniform application quickly.

h. DOD will be issuing a uniform policy for Army, Navy and Air similar to those now existing which take into account per diem rates in Army posts and quarters allowances, etc.

i. AEC has not established a sliding scale and will pay the maximum up to \$25 a day but are conservative about providing authority to travel actual expenses which, under the law, would allow up to \$40 a day.

3. Treasury and IRS expressed the view that \$25 maximum is the most reasonable way to approach the problem. They advised, however, that they are looking into a system which would permit their personnel to use actual expenses where the costs on the average of a trip exceed \$25 a day, citing the example that if actual costs were \$28, the traveler would have the option of submitting a voucher on actual costs. Interior also registered concern about the union pressures for \$25 a day and asked for guidelines. USIA is planning to authorize \$25 a day based upon a supervisor's judgment with respect to place and purpose of the trip. USIA pointed out that their cost studies show it is cheaper to pay maximum; nevertheless they are planning to designate ten high cost areas where maximum is authorized and establish a \$20 a day rate for all other areas. The debate in USIA focused on the likelihood of hotel rates going up and adjusting their charges to Government per diem rates. [Numerous agencies commented on this eventuality, citing the history of the \$16 per diem rate.]

4. NASA implemented the instruction to \$25. Department of State transmitted A-7 as received to all posts. They are reviewing travel rates and are considering application of a sliding scale in the U.S. only against some opposition. HUD has no policy at this point but would recommend a flat \$20. OEO opposes the sliding scale and would go for the \$25 maximum approved by law. Post Office emphasized

they seemed to be on the kick of asking itemization of costs linked with a policy of paying up to \$25 a day if adequately documented. In this way they overcome the potential union problem. However, Post Office is also trying to relate actual cost to a room accommodation cost on a sliding scale but wants the Government to set a policy. HEW stated the sliding scale did not work for them. HEW has issued an instruction authorizing a maximum of \$25. [This upset Agriculture who claimed "pussy cat is out of the bag now."

5. The meeting adjourned with a commitment by Dwight Ink to have the Bureau look into the matter with a view to modification by 1971 or before. The protagonists for the meeting exclaimed that guidance had to be before that time or the rates would be locked in as far as unions were concerned. The BOB committed itself only to look into the matter of what ought to be done and hedged, saying they were not certain if they had the authority or responsibility to establish Government-wide uniform procedures.

6. I inquired about what the BOB plans were for the funding required to meet the additional expenses for per diem and whether they would receive amendments to budgets currently being reviewed to meet the expenses of this new law. The Bureau reps stated they had no policy on the matter as of this date. Several minutes of the meeting were taken up when other representatives at the meeting saw fit to exclaim on that bland answer.

19/
John M. Clarke
Director/PPB

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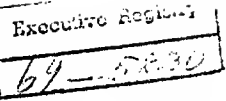
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EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET

WASHINGTON, D.C. 20503

69-5348


November 21, 1969

MEMORANDUM TO MEMBERS OF THE EXECUTIVE OFFICERS GROUP

SUBJECT: Agency policies re travel per diem

At the November 18, 1969 meeting of the Executive Officers Group,* interest was expressed in the per diem policies of several agencies that use the "sliding scale" method of reimbursement, i.e., a flat rate for meals and miscellaneous expenses plus an amount corresponding to the cost of accommodations. Because of the number of questions indicating concern as to the procedural aspects of this method of setting per diem rates we asked the agencies presently using this approach to provide copies of their regulations for distribution to members of the Executive Officers Group.

Attached for your information are copies of the travel instructions of the Departments of Transportation and Treasury and the Civil Service Commission and General Services Administration which were furnished in response to our request.


Charles F. Parker

Attachments